

HOUSE SUBSTITUTE

FOR

HOUSE COMMITTEE SUBSTITUTE

FOR

HOUSE BILLS NOS. 517, 94, 149, 150 & 342

AN ACT

2 To repeal section 208.565, RSMo, and to enact
3 in lieu thereof two new sections relating to
4 stabilization of income for the elderly, with
5 an emergency clause for a certain section.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI,
7 AS FOLLOWS:

8 Section A. Section 208.565, RSMo, is repealed and two new
9 sections enacted in lieu thereof, to be known as sections 137.106
10 and 208.565, to read as follows:

11 137.106. 1. This section shall be known and may be cited
12 as "The Missouri Homestead Preservation Act".

13 2. Notwithstanding any provision of law to the contrary,
14 the assessed value of primary residential property, excluding any
15 value added by new construction or improvements, which is owned
16 by any person who is sixty-five years of age or older and who
17 uses the property as a homestead, as defined in section 135.010,
18 RSMo, shall not increase by more than five percent during any
19 tax-year reassessment cycle during the period of time the person
20 resides on that property after attaining the age of sixty-five

1 years. Any person claiming a homestead exemption pursuant to
2 this section shall be required to pay an enrollment of fifteen
3 dollars each assessment cycle with the revenue being deposited in
4 the assessment fund of each county and any city not within a
5 county. Moneys deposited into the assessment fund may be expended
6 for administrative costs associated with the Missouri homestead
7 act. Age and years of residence for purposes of this section
8 shall be determined as of January first of each odd-numbered
9 year; provided, however, that such information shall be provided
10 by affidavit of the owner of homestead property by such date to
11 the county assessor.

12 3. No person claiming a homestead exemption pursuant to
13 this section shall be eligible to claim the property tax credit
14 allowed in sections 135.010 to 135.035, RSMo, and no person
15 claiming the property tax credit allowed in sections 135.010 to
16 135.035, RSMo, shall be eligible to claim the homestead exemption
17 pursuant to this section.

18 4. The state tax commission shall promulgate rules and
19 regulations to administer this section in accordance with the
20 intent of the general assembly that this section be construed
21 liberally to promote maximum property tax relief for persons
22 sixty-five years of age and older. No rule or portion of a rule
23 promulgated pursuant to the authority of this section shall
24 become effective unless it has been promulgated pursuant to
25 chapter 536, RSMo.

1 5. The general assembly shall appropriate moneys from the
2 general revenue fund so that any political subdivision losing
3 revenue during the time the assessed value on the real property
4 was exempt pursuant to this section shall receive proportional
5 restitution, based on the ratio the tax levy of each subdivision
6 bears to the total tax levy between the time the exemption was
7 granted pursuant to this section and the assessment value at the
8 time of the sale.

9 6. This section shall become effective January 1, 2004, and
10 shall apply to all taxable years beginning after December 31,
11 2003.

12 208.565. 1. The [division] department of health and senior
13 services shall negotiate with manufacturers for participation in
14 the program. The [division] department of health and senior
15 services shall issue a certificate of participation to
16 pharmaceutical manufacturers participating in the Missouri Senior
17 Rx program. A pharmaceutical manufacturer may apply for
18 participation in the program with an application form prescribed
19 by the commission. A certificate of participation shall remain
20 in effect for an initial period of not less than one year and
21 shall be automatically renewed unless terminated by either the
22 manufacturer or the state with sixty days' notification.

23 2. For all transactions occurring prior to July 1, 2003,
24 the rebate amount for each drug shall be fifteen percent of the
25 average manufacturer's price as defined in 42 U.S.C. Section

1 1396r-8(d)(1). For all transactions occurring on and after July
2 1, 2003, the rebate amount for [each drug] name brand
3 prescription drugs shall be fifteen percent and the rebate amount
4 for generic prescription drugs shall be eleven percent of the
5 average manufacturers' price as defined pursuant to 42 U.S.C.
6 Section 1396r-8(k)(1). No other discounts shall apply. In order
7 to receive a certificate of participation a manufacturer or
8 distributor participating in the Missouri Senior Rx program shall
9 provide the [division of aging] department of health and senior
10 services the average manufacturers' price for their contracted
11 products. The following shall apply to the providing of average
12 manufacturers' price information to the [division of aging]
13 department of health and senior services:

14 (1) Any manufacturer or distributor with an agreement under
15 this section that knowingly provides false information is subject
16 to a civil penalty in an amount not to exceed one hundred
17 thousand dollars for each provision of false information. Such
18 penalties shall be in addition to other penalties as prescribed
19 by law;

20 (2) Notwithstanding any other provision of law, information
21 disclosed by manufacturers or wholesalers pursuant to this
22 subsection or under an agreement with the [division] department
23 of health and senior services pursuant to this section is
24 confidential and shall not be disclosed by the [division]
25 department of health and senior services or any other state

1 agency or contractor therein in any form which discloses the
2 identity of a specific manufacturer or wholesaler or prices
3 charged for drugs by such manufacturer or wholesaler, except to
4 permit the state auditor to review the information provided and
5 the [division of medical services] department of health and
6 senior services for rebate administration.

7 3. All rebates received through the program shall be used
8 toward refunding the program. If a pharmaceutical manufacturer
9 refuses to participate in the rebate program, such refusal shall
10 not affect the manufacturer's status under the current Medicaid
11 program. There shall be no drug formulary, prior approval
12 system, or any similar restriction imposed on the coverage of
13 outpatient drugs made by pharmaceutical manufacturers who have
14 agreements to pay rebates for drugs utilized in the Missouri
15 Senior Rx program, provided that such outpatient drugs were
16 approved by the Food and Drug Administration.

17 4. Any prescription drug of a manufacturer that does not
18 participate in the program shall not be reimbursable.

19 Section B. Because immediate action is necessary to ensure
20 the fiscal stability of the Senior Rx program, the repeal and
21 reenactment of section 208.565 of section A of this act is deemed
22 necessary for the immediate preservation of the public health,
23 welfare, peace, and safety, and is hereby declared to be an
24 emergency act within the meaning of the constitution, and the
25 repeal and reenactment of section 208.565 of section A of this

1 act shall be in full force and effect upon its passage and
2 approval.